

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES



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Created by Executive Order 2013-1, the Department of Insurance and Financial Services (DIFS) assumed the oversight responsibilities of the previous Office of Financial and Insurance Regulation (OFIR) on March 18, 2013. Consisting of approximately 350 professionals, DIFS administers 40 public acts and regulates a variety of individual licensees and entities, including: HMOs, domestic and foreign insurance companies, banks, credit unions, insurance agents, agencies, adjusters, solicitors and counselors, mortgage licensees and registrants, deferred presentment companies, and other consumer finance-related entities.

The department is composed of eight program and regulatory offices: Banking, Consumer Finance, Consumer Services, Credit Unions, General Counsel, Insurance Evaluation, Insurance Rates and Forms, and Insurance Licensing and Market Conduct.

The **Office of Banking** is responsible for all aspects of the supervision, regulation, and examination of state-chartered banks, savings banks, and trust-only banks. The office is also responsible for examining business and industrial development companies (BIDCOs).

The **Office of Consumer Finance** is responsible for the licensing, regulation, and examination of entities and individuals doing business under various Michigan consumer finance statutes, including mortgage brokers, lenders, and servicers; mortgage loan originators; money transmitters; deferred presentment providers; direct loan companies; motor vehicle installment sellers and sales finance companies; and other consumer finance providers.

The **Office of Consumer Services** is responsible for managing consumer information and outreach, inquiries, and complaints; investigations of insurance agents/entities; web development and maintenance; forms development; and overseeing the communication center which serves as the initial point of contact for all incoming calls and visitors.

The **Office of Credit Unions** is responsible for the regulation, examination, and supervision of Michigan state-chartered credit unions. The office is also responsible for processing corporate applications filed by depository financial institutions.

The **Office of General Counsel** is responsible for providing legal advice and representation to the Director and DIFS staff with respect to: enforcement actions, administrative hearings, orders, rules, statutes, regulations, bulletins, declaratory rulings, health benefit claims, special projects, legislative research and analysis, and processing PRIRA appeals. The general counsel serves as FOIA coordinator, represents the Director on the State Employees Retirement System board, and acts as liaison with the Attorney General and other state/federal agencies.

The **Office of Insurance Evaluation** is responsible for all aspects of monitoring and regulating the financial condition of risk-bearing insurance entities including: the processing of applications for licensure filed by insurance companies; on-site financial examinations of domestic insurance companies; ongoing financial monitoring of licensed insurance companies and working with insurance companies reporting negative trends to take appropriate corrective measures. The office is also responsible for the licensing, monitoring and examination of captive insurers. The office also processes applications from entities seeking to self-insure for automobile coverage.

The **Office of Insurance Rates and Forms** is responsible for enforcing Michigan insurance statutes and regulations pertaining to rates and forms submitted by insurance companies and other licensed entities. This includes review of property and casualty products as well as life and health products, including all forms and rates for plans offered pursuant to the Affordable Care Act (ACA).

The **Office of Insurance Licensing and Market Conduct** is responsible for licensing, registering, or certifying individual and agency insurance producers, solicitors, counselors, foreign risk retention groups, purchasing groups, reinsurance intermediaries, premium finance companies, and third-party administrators. The office is also responsible for market conduct examinations of insurers, audits of insurance agents/entities and monitoring of all surplus lines tax filings and payments.

The department also dedicates significant resources towards economic development and legislative analysis. A Senior Advisor for Policy and Legislation oversees the development and implementation of regulatory policy and serves as the department's liaison to the legislature. The Economic Development Advisor works closely with companies in the insurance and financial services industries to maintain and enhance a climate in Michigan that stimulates economic activity and promotes industry growth.

